



U.S. Department of Justice

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For Immediate Release:

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EVENT: Guilty Plea

Defendant: Andrew M. Brown

FENTON RESTAURANT OWNER PLEADS GUILTY TO TAX EVASION

The owner of Andrico's Restaurant in Fenton, Michigan pleaded guilty today to an information charging him with tax evasion, United States Attorney Stephen J. Murphy announced.

Murphy was joined in the announcement by Maurice Aouate, Special Agent In Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation.

Andrew M. Brown, Jr., 51, of Fenton, entered the guilty plea in United States District Court in Flint before Judge Paul V. Gadola.

The information presented to the court at the time of the plea showed that Mr. Brown owned and operated Andrico's, which generated substantial cash receipts, but that during 1999 and 2000 he did not report to his accountant all of the cash received. About April 14, 2000, Brown signed and filed a tax return stating that his taxable income for the year 1999 was \$175,325; but, in addition to that taxable income, Brown had received and personally used about \$128,374 in cash received at Andrico's. By failing to report this cash income, defendant understated the amount of tax he owed by about \$49,000.

Under the terms of his plea agreement, Brown faces up to 16 months' imprisonment and a fine of up to \$30,000. In addition, Brown agreed to file true and correct amended tax returns with the Internal Revenue Service for 1999 and 2000 before sentencing, reporting all of his income; the parties expect that he will owe additional tax in the amount of about \$96,628, plus penalties and interest.

"The voluntary payment of taxes is the "user fee" we all pay for the benefits of security and public service that we enjoy in our free society. As a result, tax evasion is a serious crime that adversely effects all citizens. We will do all we can to make certain that our efforts result in voluntary compliance," U.S. Attorney Murphy said.

Judge Gadola scheduled sentencing for July 11, 2006 at 2 p.m.

The case is being prosecuted by Assistant U.S. Attorney Robert W. Haviland.